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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

Communications Commission  
Office of Secretary

In the Matter of )  
 )  
Amendment to the Commission's ) WT Docket No. 95-157  
Rules Regarding a Plan for ) RM-8643  
Sharing the Costs of )  
Microwave Relocation )

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**JOINT COMMENTS OF SPRINT SPECTRUM AND  
AMERICAN PERSONAL COMMUNICATIONS**

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Regarding a Plan for Sharing	)	RM-8643
the Costs of Microwave Relocation	)	

**JOINT COMMENTS OF SPRINT SPECTRUM AND  
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**Both Personal Communications Industry Association and Industrial**

Telecommunications Association, Inc. have submitted business plans to serve as the clearinghouse that will administer cost-sharing by PCS licensees in connection with the relocation of microwave incumbents in the 1850-1990 MHz band. Instead of dividing cost-sharing responsibilities between both PCIA and ITA, Sprint Spectrum believes it is preferable to have one entity serve as the clearinghouse. Additionally, Sprint Spectrum supports the Wireless Telecommunications Bureau's tentative conclusion to designate the Personal Communications Industry Association ("PCIA") to serve as the clearinghouse because PCIA's business plan is more consistent with the needs and concerns of the PCS industry.

**I. THE COMMISSION SHOULD DESIGNATE ONLY ONE ENTITY TO SERVE AS THE CLEARINGHOUSE.**

Designating one entity to serve as the clearinghouse is preferable because it will result in a more efficient allocation of resources. Allowing two entities to share the clearinghouse function would result in a duplication of effort, fragment industry support, and lead to higher administrative costs. For example, if both ITA and PCIA operate clearinghouses, each entity will have to maintain a cost-sharing database to record reimbursement information. This type of duplication of effort will require the industry to bear additional, unnecessary costs which will, in turn, increase the burdens of cost-sharing and divert resources from PCS deployment.

A single, neutral clearinghouse should serve the vital function of administering the cost-sharing plan. The PCS industry is already enduring a tremendous financial burden through the relocation of microwave incumbents. The Commission should not compound this burden by creating the unnecessary duplication of costs which will undoubtedly follow the designation of two clearinghouses.

**II. THE COMMISSION SHOULD SELECT PCIA TO SERVE AS THE CLEARINGHOUSE.**

The Commission should choose PCIA to serve as the sole entity to operate the clearinghouse. Although both PCIA and ITA have submitted business plans, PCIA's industry support and extensive involvement in the development of the cost-sharing concept make it better equipped than ITA to meet the demands of cost-sharing administration. As an initial matter, the Commission should note that PCIA has been

actively involved with industry members from the initial development of the cost-sharing concept until the preparation of its clearinghouse plan. Consequently, the industry is well aware of and provided input to PCIA's business plan for the clearinghouse. In contrast, ITA's interest in acting as the clearinghouse was unknown to the industry as a whole until recently. Because ITA did not seek any input from the PCS industry in developing its business plan, its revenue assumptions and other aspects of its plan are questionable.

ITA's business plan is weaker than PCIA's proposal in several respects. Sprint Spectrum is concerned about ITA's financial ability to operate the clearinghouse. Although ITA claims it will fund the clearinghouse through its own resources, its proposal contains neither a balance sheet nor other information containing its financial resources. Thus, ITA has made no showing that it is financially able to implement operation of the clearinghouse. In contrast, PCIA's clearinghouse will not depend on internal financing because it will be funded by contributions from existing A and B block licensees. On a related note, ITA has not suggested that it will cap its fees at cost or otherwise ensure that the industry is not required to bear more than the actual costs of the clearinghouse operations. This issue is of vital importance because cost containment is paramount for licensees who are already spending small fortunes on relocations.

Additionally, the underlying assumptions of the ITA business plan appear to be inconsistent with general expectations of the progress of industry relocation efforts. Because of its extensive involvement in the cost-sharing and clearinghouse processes,

PCIA is very familiar with the pace of relocations and has made realistic estimates about the time required for spectrum clearing in its business plan.

ITA's proposed administration of the clearinghouse also raises concerns about the impartiality of the clearinghouse and its ability to protect highly confidential, proprietary data about PCS system deployments. ITA will not permit industry participation in the governance of the clearinghouse. We agree with the Commission that it is essential for the cost-sharing plan to be administered by the industry to the fullest extent possible. PCIA's proposal to allow a Board elected by PCIA members to govern the clearinghouse will provide the industry with vital input into the administration of the cost-sharing plan.

### **CONCLUSION**


PCIA's business plan has been developed in conjunction with the PCS industry, is based on reasonable assumptions concerning the relocation process and is

designed to minimize costs. Thus, for all the foregoing reasons, the Commission should designate PCIA as the sole entity to operate the clearinghouse.

Respectfully submitted,

SPRINT SPECTRUM, L.P.

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